

The Impacts of Marijuana Legalization in the United States

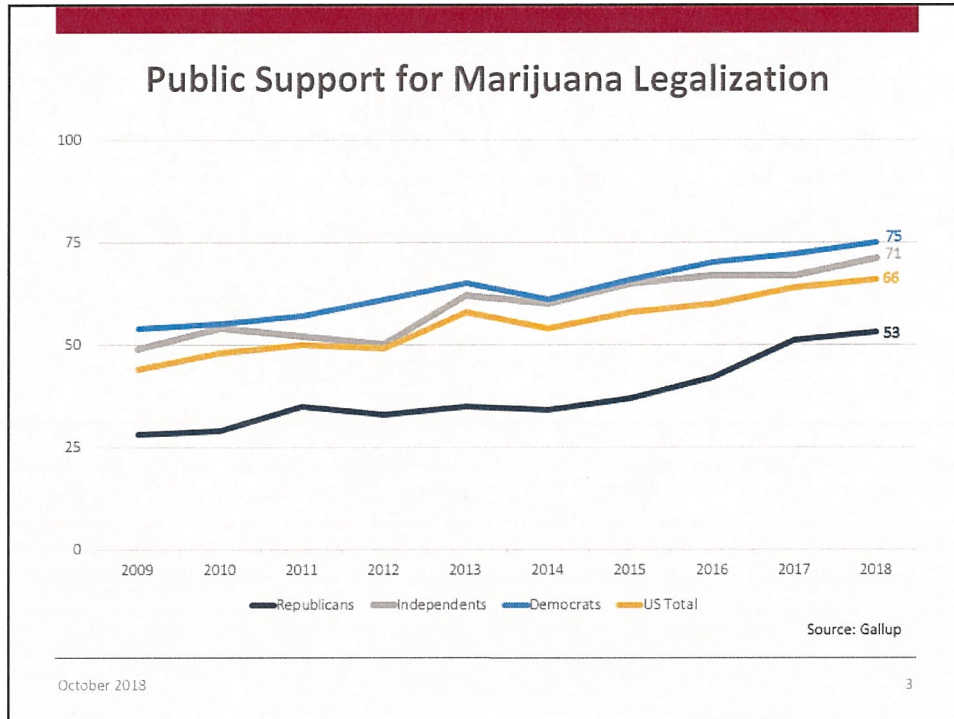


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Why States Legalize Marijuana

Regulating marijuana enables public health officials to minimize the potential risks of marijuana use through outreach, education, quantity limits at point of sale, quality control, and consumer protection.

Source: New York Department of Health, Marijuana Legalization Impact Assessment (July 2018)



Data Limitations

1. *[I]t is not possible to definitively separate the change in marijuana laws from other changes that have occurred in Colorado, both societal and legal.*
2. *[C]hanges in reported marijuana use may be the result of decreased social stigma and legal ramifications.*
3. *[L]egalization has heightened awareness of the need to gather data on marijuana and, in some cases, has led to improvements in data collection that then make analyzing historical trends difficult.*

Source: Colorado Division of Criminal Justice, Impacts of Marijuana Legalization in Colorado (Oct 2018)

October 2018 4

Marijuana Legalization is Working

From Prohibition to Progress: A Status Report on Marijuana Legalization

What We Know About Marijuana
Legalization in Eight States and
Washington, D.C.

October 2018 5

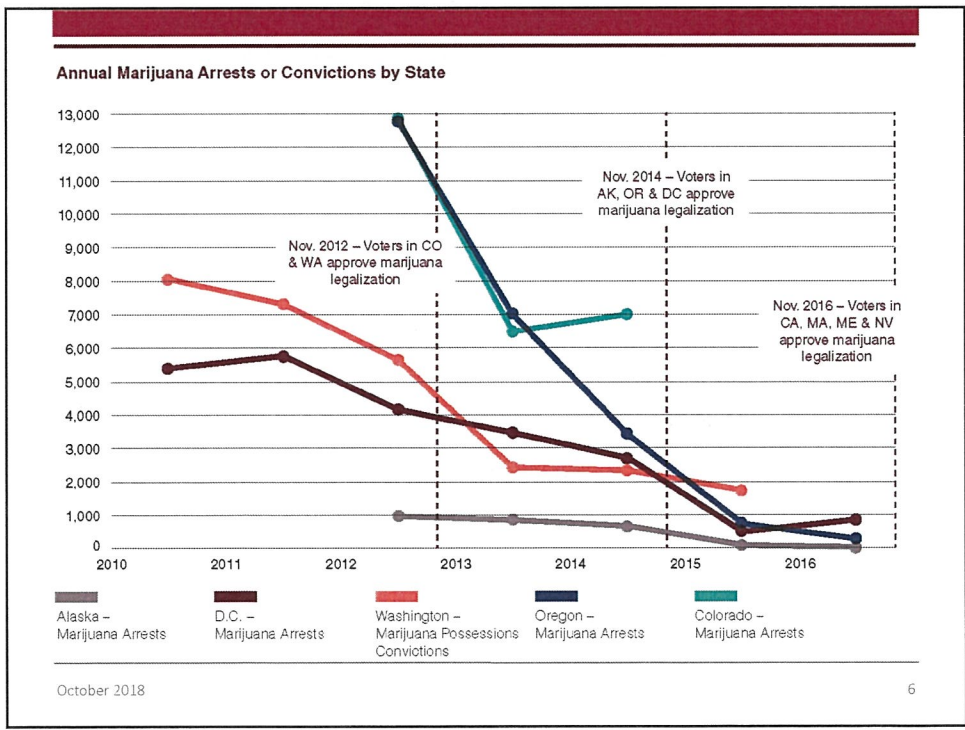



Table 2. Marijuana arrests in Colorado, 2012–2017

	Number arrested for marijuana offenses					
	2012	2013	2014	2015	2016	2017
Total	12,709	6,359	6,902	6,728	6,250	6,153
Age group						
10 to 17	3,168	3,030	3,325	2,956	2,615	2,655
18 to 20	3,307	2,241	2,221	2,064	2,026	2,099
21 or older	6,234	1,088	1,356	1,708	1,609	1,399
Race						
White	9,207	4,377	4,499	4,375	4,129	4,069
Hispanic	2,340	1,328	1,552	1,541	1,414	1,423
Black	957	547	712	655	539	467
Other	205	107	139	157	168	194
Gender						
Male	10,331	5,155	5,445	5,324	4,859	4,681
Female	2,378	1,204	1,457	1,404	1,391	1,472

Source: Colorado Bureau of Investigation, National-Incident-Based Reporting System, analyzed by the Division of Criminal Justice

Youth Use

Data show youth use post-legalization has remained stable and has even decreased in some places.

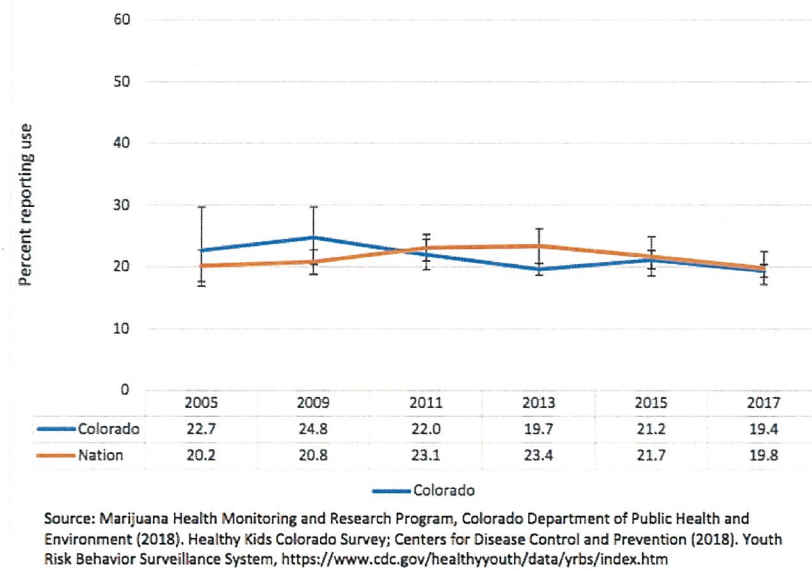


No Minors

Persons under twenty-one
years of age not permitted on
these premises.

LIQ1285 3/16 RCW 69.50.357 and WAC 314-55-086

Figure 69. High school students' past 30-days marijuana use, Colorado and Nation, 2005–2017: HKCS



Source: Marijuana Health Monitoring and Research Program, Colorado Department of Public Health and Environment (2018). Healthy Kids Colorado Survey; Centers for Disease Control and Prevention (2018). Youth Risk Behavior Surveillance System, <https://www.cdc.gov/healthyyouth/data/yrbs/index.htm>

October 2018

9

Road Safety

According to the data collected by the [Colorado] State Patrol, the total number of reported DUIs dropped 15% between 2014 (5,705) and 2017 (4,849).

Source: Colorado Division of Criminal Justice, Impacts of Marijuana Legalization in Colorado (Oct 2018)

October 2018

10

Road Safety

A study comparing motor vehicle-related fatalities in Washington and Colorado to eight similar states found that three years after marijuana legalization, changes in motor vehicle fatality rates were not statistically different from those in similar states without regulated marijuana.

Source: New York Department of Health, Marijuana Legalization Impact Assessment (July 2018)

Marijuana Revenues by State

	Projected Revenue	Total Revenue Collected by Year			
		Year 1	Year 2	Year 3	Year 4
Colorado¹ (Calendar year)	\$70 Million	\$67.6 Million (2014)	\$130.4 Million (2015)	\$193.6 Million (2016)	\$205.1 Million (Jan – Oct '17)
Washington¹ (Fiscal year: Jul 1 – Jun 30)	\$162 Million	\$64.9 Million (2014–15)	\$185.7 Million (2015–16)	\$314.8 Million (2016–17)	\$91.2 Million (Jul – Sept '17)
Oregon¹¹ (Fiscal year: Jul 1 – Jun 30)	\$31 Million ¹¹	\$20.7 Million (2015–16)	\$70.3 Million (2016–17)	\$18.4 Million (Jul – Sept '17)	–
Alaska¹ (Fiscal year: Jul 1 – Jun 30)	\$12 Million ¹¹	\$1.7 Million (Oct '16 – Jun '17)	\$1.3 Million (Jul – Aug '17)	–	–
Nevada¹¹ (Fiscal year: Jul 1 – Jun 30)	\$60 Million ¹¹	\$13.2 Million (Jul – Sept. '17)	–	–	–

Marijuana Revenues in Colorado

Table 42. Annual and average monthly taxes, licenses, and fees, 2014-June 2018

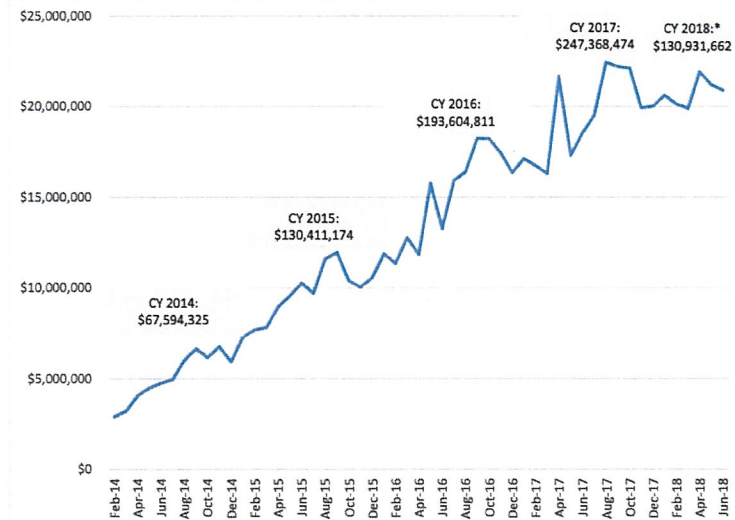
Calendar Year	Annual total collections			Average monthly collections		
	Taxes	License & Fees	Taxes & Fees	Taxes	License & Fees	Taxes & Fees
2014	\$56,102,639	\$11,491,688	\$67,594,325	\$5,100,240	\$1,044,699	\$6,144,939
2015	\$116,003,360	\$14,407,811	\$130,411,174	\$9,666,947	\$1,200,651	\$10,867,598
2016	\$179,619,617	\$13,985,195	\$193,604,811	\$14,968,301	\$1,165,433	\$16,133,734
2017	\$234,014,747	\$13,353,727	\$247,368,474	\$19,501,229	\$1,112,811	\$20,614,040
2018	\$124,696,564	\$6,235,099	\$130,931,662	\$20,782,761	\$1,039,183	\$21,821,944

Source: Colorado Department of Revenue, Marijuana Enforcement Division (2018). Marijuana Tax Data, at <https://www.colorado.gov/pacific/revenue/colorado-marijuana-tax-data>

October 2018

13

Figure 116. Total taxes, licenses, and fees, 2014–June 2018



Source: Marijuana Enforcement Division (2018). Marijuana Tax Data, at <https://www.colorado.gov/pacific/revenue/colorado-marijuana-tax-data>

Note: Calendar year 2018 taxes reported through June 2018.

October 2018

14

Cost Savings

Marijuana regulation could generate long-term cost savings. Legalizing marijuana is anticipated to lead to a reduction in costs associated with illegal marijuana, including police time, court costs, prison costs and administrative fees. There will be costs associated with the implementation of a regulated marijuana program; however, the revenue generated is likely to sustain the program after the first year.

Source: New York Department of Health, Marijuana Legalization Impact Assessment (July 2018)

Jobs

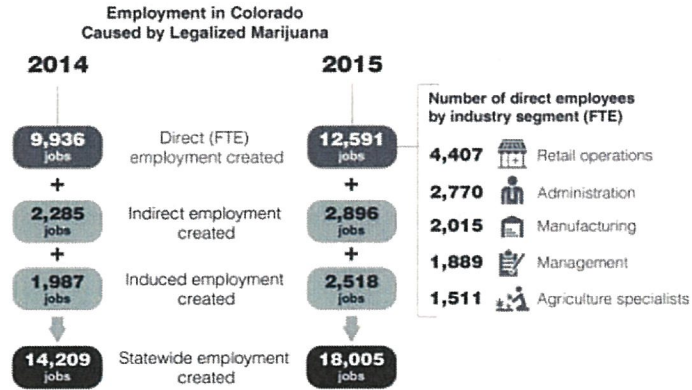
Preliminary estimates suggest that the legal marijuana industry employs between 165,000 to 230,000 full- and part-time workers across the country. This number will only continue to grow as more states legalize marijuana and replace their unregulated markets with new legal marijuana markets.

The Drug Policy Alliance, From Prohibition to Progress (Jan 2018)

Figure 4: Colorado Economic Development and Job Creation

Figure 6. Employment estimates by type in Colorado, 2015

Source: Marijuana Policy Group.



Source: New York Department of Health, Marijuana Legalization Impact Assessment (July 2018)

Economic & Rural Development Impacts of Marijuana Legalization

The marijuana industry is expanding. As more states develop a regulated marijuana market, the industry is growing substantially, more licenses are issued for dispensaries, and more consumers exit from the unregulated market. Regulating marijuana will create jobs. Industry sources estimate that there are between 165,000 to 230,000 full- and part-time workers in the United States marijuana industry.¹⁰¹

Source: New York Department of Health, Marijuana Legalization Impact Assessment (July 2018)

Social & Racial Justice Implications of Legalization

- While legalization does not end racism, it limits the extent to which racially biased drug laws can be enforced.
- Marijuana legalization ends the criminalization of minor offenses, which have disproportionately impacted Black, Latinx, and Native American communities.
- Legalization does reduce criminalization from cannabis-related arrests and charges, even retroactively in some states.
- Revenue from taxing legal marijuana can be reinvested in communities most harmed by marijuana criminalization.
- Equity programs can help ensure that all members of the community have the opportunity to own and operate marijuana businesses.
- Smaller license categories and incubators increase competition and access to the marijuana industry.

October 2018

19

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October 2018

20